STATE OF IOWA

DEPARTMENT OF COMMERCE

UTILITIES BOARD

IN RE:

DEREGULATION OF LOCAL EXCHANGE SERVICES IN COMPETITIVE MARKETS

DOCKET NO. INU-04-1

ORDER DENYING MOTION TO STRIKE

(Issued July 20, 2004)

On July 13, 2004, AT&T Communications of the Midwest, Inc., and TCG
Omaha (collectively, AT&T) filed with the Utilities Board (Board) a motion to strike
portions of the "Statement of Position and Exhibits" filed in this proceeding by Qwest
Corporation (Qwest) on June 30, 2004. In support of its motion, AT&T states that
significant portions of Mr. Robert H. Brigham's statement fall outside the scope of the
issues that the Board indicated it would consider in this proceeding.

On July 16, 2004, the Iowa Association for Municipal Utilities (IAMU) filed a motion in support of AT&T's motion to strike.

In its "Order Initiating Notice and Comment Proceeding," issued May 7, 2004, the Board invited comments addressing this first phase of deregulation. However, as a part of the ongoing process of deregulation, the Board also invited comments regarding future phases. The Board finds that the testimony and exhibits submitted by Qwest on June 30 appropriately comments on issues specific to this proceeding and on issues that may be reviewed in future phases of deregulation. The motion to

strike will therefore be denied. To the extent that the testimony and exhibits of Mr.

Brigham reach beyond the scope of the issues that the Board intends to consider in this phase of this proceeding, the Board may consider such testimony and exhibits in future phases.

IT IS THEREFORE ORDERED:

The motion to strike filed by AT&T Communications of the Midwest, Inc., and TCG Omaha on July 13, 2004, is denied.

UTILITIES BOARD

/s/ Diane Munns /s/ Mark O. Lambert ATTEST: /s/ Judi K. Cooper Executive Secretary /s/ Elliott Smith

Dated at Des Moines, Iowa, this 20th day of July, 2004.